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## UNION PACIFIC RAILROAD COMPANY

205842

LAW DEPARTMENT 101 NORTH WACKER DRIVE, SUITE 1920 CHICAGO, ILLINOIS 60605 FAX NO. 312-777-2065

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July 12, 2002

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## VIA UPS NEXT DAY DELIVERY

Mr. Vernon Williams, Secretary Surface Transportation Board 1925 K Street, N.W. Washington, D.C. 20423-0001

RE: Docket AB-33 (Sub-No. 167X) — Union Pacific Railroad Company
— Abandonment and Discontinuance Exemption — In Cook County, IL
(Skokie Industrial Lead in Skokie, IL)

## RESPONSE TO FILING OF REQUEST FOR PUBLIC USE CONDITION AND REQUEST FOR INTERIM TRAIL USE BY THE VILLAGE OF SKOKIE, COOK COUNTY, ILLINOIS

ENTERED
Office of Proceedings

JUL 15 2002

Dear Mr. Williams:

Part of Public Record

Pursuant to 49 U.S.C. § 1152.9 Perspective Use of Rights of Way for Interim Trail Use and Rail Banking, the Union Pacific Railroad Company ("UP") received a request for interim trail use from the Village of Skokie ("Village") dated June 7, 2002, and received June 10, 2002. In the Statement of Willingness to Assume Financial Responsibility the Village of Skokie indicated that the section of track it was interested in obtaining a Notice of Interim Trail Use for is that portion of the Skokie Industrial Lead (the "Lead") which extends from milepost 12.60 near Oakton Street to milepost 13.64 near Dempster Street all in the Village of Skokie, Cook County, Illinois.

By Letter Agreement dated March 20, 2002 (the "Letter Agreement"), the UP agreed to sell a small portion of the Lead property to HCGK Trust, the owner of adjacent property commonly referred to as the Crafty Beaver Lumber Company ("Crafty Beaver"). The relatively small section of the Lead covered by the Letter Agreement runs from milepost 12.60 to milepost 12.81. All terms and conditions for this sale have been negotiated with an expected closing to occur on or about September 1, 2002. Naturally, this sale is contingent upon the UP receiving on or before the closing date, authority to abandon this section of the Lead from the STB with the further proviso that the UP shall have completed all conditions to consummate the abandonment applicable to this section or shall have received a waiver from the STB permitting closing prior to said consummation. It is UP's desire to complete the negotiated transaction for the small section with Crafty Beaver as negotiated.

With respect to the remainder of the Lead for which the Village seeks interim trail use, the UP is agreeable to negotiating with the Village for the disposition of the remainder of the Lead. Therefore, the UP has no objection to the Village's request that the STB issue a Notice of Interim Trail Use with regard to that portion of the Skokie Industrial Lead extending from milepost 12.81 through and including milepost 13.64. However, the UP respectfully requests that the portion of the Lead covered by the Letter Agreement, that portion of the Lead from milepost 12.60 to milepost 12.81, be excluded.

It is the understanding of UP that Crafty Beaver and the Village of Skokie are in discussions concerning the use of a portion of the property UP desires to sell to Crafty Beaver pursuant to the Letter Agreement by the Village of Skokie for its proposed trail use.

Sincerely yours,

Mack H. Shumate, Jr., Senior General Attorney

MHS/taf

cc: All Parties of Record

Terri Guy <Fax #202/565-9002>

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